

SENATE BILL NO. 181

INTRODUCED BY J. COBB

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING COUNTIES AND MUNICIPALITIES TO USE BOND PROCEEDS TO FUND FAMILY SERVICES PROVIDER FACILITIES AS AN INDUSTRIAL DEVELOPMENT PROJECT UNDER TITLE 90, CHAPTER 5, PART 1, MCA; ALLOWING BOND PROCEEDS TO BE USED TO DISCHARGE AN EXISTING INDEBTEDNESS SECURED BY A LIEN AGAINST A FAMILY SERVICES PROVIDER FACILITY ~~LEASED OR OWNED BY A NONPROFIT CORPORATION~~; AND AMENDING SECTIONS 90-5-101 AND 90-5-108, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 90-5-101, MCA, is amended to read:

"90-5-101. ~~Definition of terms~~ Definitions. As used in this part, unless the context otherwise requires, the following definitions apply:

(1) "Agricultural enterprises" ~~include~~ includes but ~~are~~ is not limited to producing, warehousing, storing, fattening, treating, handling, distributing, or selling farm products or livestock.

(2) "Bonds" means bonds, refunding bonds, notes, or other obligations issued by a municipality or county under the authority of this part, including without limitation short-term bonds or notes issued in anticipation of the issuance of long-term bonds or notes.

(3) "Family services providers" means organizations, including nonprofit corporations, that provide ~~services that include child and adult care training, child and adult care on the premises, parenting classes, child and adult care referrals, and family support services~~ HUMAN SERVICES FOR CHILDREN AND ADULTS, INCLUDING BUT NOT LIMITED TO EARLY CARE SERVICES FOR CHILDREN, YOUTH SERVICES, HEALTH SERVICES, SOCIAL SERVICES, HABILITATIVE SERVICES, REHABILITATIVE SERVICES, PREVENTIVE CARE, AND SUPPORTIVE SERVICES AND TRAINING, EDUCATIONAL, AND REFERRAL ACTIVITIES IN SUPPORT OF HUMAN SERVICES.

~~(3)~~(4) "Governing body" means the board or body in which the general legislative powers of the municipality or county are vested.

~~(4)~~(5) "Higher education facilities" means any real or personal properties required or useful for the operation of an institution of higher education.

(5)(6) "Institution of higher education" means any private, nonprofit corporation or institution within the state of Montana:

(a) authorized to provide or operate educational facilities; and

(b) providing a program of education beyond the high school level.

(6)(7) "Mortgage" means a mortgage or deed of trust or other security device.

(7)(8) "Municipality" means any incorporated city or town in the state.

(8)(9) "Project" means any land; any building or other improvement; and any other real or personal properties considered necessary in connection with the improvement, whether or not now in existence, ~~which that~~ must be suitable for use for commercial, manufacturing, agricultural, or industrial enterprises; recreation or tourist facilities; local, state, and federal governmental facilities; multifamily housing, hospitals, long-term care facilities, community-based facilities for individuals who are persons with developmental disabilities as defined in 53-20-102, or medical facilities; higher education facilities; small-scale hydroelectric production facilities with a capacity of 50 megawatts or less; family services provider facilities; and any combination of these projects."

Section 2. Section 90-5-108, MCA, is amended to read:

"90-5-108. Use of proceeds of bond sales. (1) The proceeds from the sale of ~~any~~ bonds issued under authority of this part ~~shall~~ must be applied only for the purpose for which the bonds were issued or to discharge any existing indebtedness secured by a lien against a hospital or long-term care facility; ~~OR~~ ~~or~~ higher education facility; ~~or family services provider facility~~ leased or owned by a nonprofit corporation OR AGAINST A FAMILY SERVICES PROVIDER FACILITY. However, if the project is not a hospital or long-term care facility; ~~OR~~ ~~or~~ higher education facility; ~~or family services provider facility~~ leased or owned by a nonprofit corporation OR A FAMILY SERVICES PROVIDER FACILITY, the proceeds from the sale of bonds may not be used to discharge indebtedness without an improvement to the project.

(2) Any accrued interest and premium received in ~~any such~~ the sale of bonds ~~shall~~ must be applied to the payment of the principal of or the interest on the bonds sold. If for any reason any portion of ~~such~~ the proceeds ~~shall~~ is not ~~be~~ needed for the purpose for which the bonds were issued, then ~~such~~ the unneeded portion of ~~said~~ the proceeds ~~shall~~ must be applied to the payment of the principal of or the interest on ~~said~~ the bonds."

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